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REMARKS

Claims 1-5, 7-13, 15-29, 31, 32 and 34-48 are pending where claims 14 and 33 are canceled herein. In the Final Office Action, claims 1-5, 7-13, 16-23, 25-29, 31, 32, 41, 42, and 44-48 were rejected under 35 U.S.C. §102(e) as being anticipated by Demoff (US Pat. No. 6,456,984 B1), and claims 14, 15, 33, 34 and 43 were rejected under 35 U.S.C. §103(a) as being unpatentable over Demoff in view of Cohen (US Pat. No. 6,505,171 B1).

Applicant respectfully submits that the Final Office Action is premature and must be withdrawn based on the following substantive and prejudicial omissions of the record: *first*, claims 35-38 have not been formally or properly rejected in either the first Office Action (mailed Oct. 8, 2003) or the present Final Office Action; *second*, the Examiner failed to formally and properly address claims 24 and 35-40 in the present Final Office Action; and *third*, the substantive 35 U.S.C. §103(a) rejection of claims 14, 15, 33, 34 and 43 has changed from being unpatentable over Demoff (in the first Office Action) to being unpatentable over Demoff *in view of Cohen* in the Final Office Action. Applicant's prior amendments did not necessitate the new grounds of rejection.

Applicant respectfully submits that the status of the rejections and claims is at best incomplete and ambiguous and requests that the Final Office Action be withdrawn and that at least one additional new Office Action (preferably an allowance) be provided to, at a minimum, correct the substantive and prejudicial omissions of the record. Applicant has not been properly provided the chance to respond to the new §103 rejection of claims 14, 15, 33, 34 and 43 prior to receiving the Final rejection.

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Notwithstanding the above, Applicant will attempt to respond to the Final Office Action in view of the claims properly addressed.

Applicant respectfully traverses the §102(e) rejection of claim 13 as being anticipated by Demoff.

Claim 13 recites "pre-certifying, by an issuing bank, the issuing system as processor for the plurality of valid charge numbers" and "routing the selected one of the plurality of valid charge numbers to the issuing system." The Examiner states that "such feature" is shown in Figs 1 and 8 and associated text and col. 2, lines 37-42 of Demoff. Yet the only thing illustrated in Figs 1 and 8 and associated text of Demoff is the providing of randomly generated temporary unique credit card number to the unregistered vendor or user. In Demoff col. 2, lines 37-42, Demoff describes that the request (for issuance of a credit transaction number - see col. 2, lines 29-30) is made using a mobile communication device and that the generated number is sent to the requesting device for manual input into a "vendor credit verification system" or "directly to the vendor". *This gets a number to the vendor (or user), but does not describe how the number is then processed to consummate a transaction.* Instead, as clearly recited in Demoff (col. 3, lines 55-58), "the assigned temporary "credit card" number is simply processed and validated using the *same traditional channels* as conventional credit card providers" (emphasis added). What this means is that the vendor settles the transaction via a traditional charge settlement network, such as the electronic funds transfer (EFT) network or the automated clearinghouse (ACH) network or the like, as described in Applicant's disclosure page 2 lines 8-11, and the number is processed by the issuing bank

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as certified processor. Demoff simply does not show or describe pre-certifying, by an issuing bank, an issuing system as processor for valid charge numbers.

Applicant respectfully traverses the §103(a) rejection of claims 14, 15, 33, 34 and 43 as being unpatentable over Demoff in view of Cohen, which is a *new* rejection in the Final Office Action.

In the prior Office Action, these claims were rejected solely under Demoff and the Examiner took Official Notice that "a prepaid cash account is a charge account is (sic) well known and old in the art." Applicant argued in response that "[p]ersons skilled in the art understand that a prepaid cash account is not the same as a credit account and that a credit account does not become a prepaid cash account based on balance. Credit and/or charge accounts are established by credit agreement and the process of issuing credit under specified terms and not by prepayment of cash." Applicant further explained that "Demoff is particularly directed to *issuing credit* as payment in a consumer transaction (see Abstract) and employs a processing subsystem 28 that accesses a database 32 to determine *credit status* of the requesting customer before providing authorization (col. 3, lines 43-50)." Applicant further noted that "[t]here is no suggestion whatsoever in Demoff for providing valid charge numbers via an electronic communications network in combination with the use of prepaid cash accounts to authorize purchase requests."

The Examiner states in the present Office Action that "Applicant argued that Demoff failed to disclose the use of pre-paid cards." This is a mischaracterization of Applicant's argument. Instead, Applicant argued that Demoff does not show the use of a pre-paid cash *account* and providing a valid charge number in response to a request by a user and authorizing a purchase transaction if the cash balance of the prepaid cash

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account is sufficient for the purchase amount as recited in claim 14. Applicant respectfully requests that the Examiner re-review Demoff's Abstract and Demoff's list of objects and invention beginning on col. 1, line 53 to col. 2, line 59. Demoff lists over and over again a method and/or system "*for issuing credit*".

Demoff describes two different credit based transaction scenarios (see Demoff, col. 5, lines 43-61). First, in a preferred embodiment the vendor is registered so that the system "carries out the *credit transaction* directly with registered vendors." And further, the "randomly generated or unique credit transaction number would be sent to the customer *only if* the vendor is not registered" (emphasis added). For the unregistered vendor in a second embodiment, the temporary credit transaction number is generated for that particular transaction, and "the vendor simply process (sic) the number through a conventional verification system like any other credit card number for appropriate authorization" (see Demoff, col. 6, lines 14-17).

The Examiner then states that "such feature", i.e., the use of pre-paid cards, "is provided by the secondary reference Cohen" and that "Applicant then argued that the internet link feature was not disclosed" and that "Cohen disclosed a method and system where a global computer network serves as a primary communication medium." This was not the original rejection (and thus not Applicant's argument) but instead is a new rejection since the Examiner previously relied solely on Demoff to reject these claims. Applicant has not been provided the opportunity to address this new rejection directly prior to the issuance of a Final Office Action in violation of Applicant's rights to fully prosecute these claims.

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It is noted that Cohen supports Applicant's argument that prepaid and credit accounts are not the same. On col. 1, line 65 to col. 2, line 8, Cohen explains the problem with credit based transactions:

"Several drawbacks are apparent in the current transactional systems and processes. First of all, the almost exclusive use of credit based transactions removes a large pool of potential customers from purchasing over the Internet. Since many advertisers largely focus on today's youth due to their increased spending means, it would be useful to provide a medium of exchange independent of credit based transactions available to such patrons. Also, not everyone has the luxury of an established credit line or even desires to rely on credit."

Cohen then discloses a system including a merchant host 41 (Fig. 1) which "prompts the consumer to selected one of several forms of payment" (see Cohen, col. 7, lines 9-10). The host system 41 must be connected to the Internet (via link 60, Fig. 1) and must include interactive pages preconfigured to include a "purchasing option 50 for using the pre-paid card 34 (FIG. 7) selectable by the consumer" (see Cohen, col. 7, lines 18-20). In other words, the merchant must include specialized equipment and software connected to the Internet and must be preconfigured and pre-authorized to accept the pre-paid card 34. This is required since the standard POS equipment used by vendors and merchants for accepting standard credit cards for processing through conventional verification systems for appropriate authorization does not work for the prepaid cards described in Cohen.

The Demoff system and method is strictly a credit based approach in which a temporary credit transaction number is provided and then processed through a conventional verification system like any other credit card number for appropriate authorization. There is no suggestion within Demoff for the use of pre-paid accounts since such would not be necessary in a credit based approach. Cohen is a pre-paid approach which requires pre-configuration of specialized hardware and software for

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accepting pre-paid cards outside of the standard system employed for typical credit cards. It would not make sense to use credit numbers in the Cohen system and method since such is specifically designed to avoid the use of credit. Thus, Cohen teaches away from the use of credit and the conventional credit based verification system.

There is no suggestion within Demoff or Cohen to receive, store, select, and provide a valid charge number in response to a request, to establish a prepaid cash account, to detect a purchase transaction using the selected valid charge number, and to authorize the transaction if a cash balance of the prepaid cash account is sufficient as recited in claim 14. The only suggestion to combine Demoff and Cohen in this manner, against the teachings of either reference, is Applicant's disclosure and claims, which is improper hindsight. Thus, claim 14 is allowable over Demoff in view of Cohen. Claim 1 is amended to incorporate the substance of claim 14 and claim 14 is canceled. Claims 7, 9, 15 and 16 are amended to properly correspond with the amendment of claim 1. Thus, claim 1 is allowable over Demoff in view of Cohen, and claims 2-5, 7-13 and 15-25 are allowable as depending upon claim 1. Applicant requests withdrawal of the 102 and 103 rejections of these claims.

Claim 33 is allowable over Demoff in view of Cohen for similar reasons as claim 14. Demoff in view of Cohen does not show or suggest a charge number issuing system for issuing valid charge numbers via a electronic communications network comprising a storage device that stores valid charge numbers issued by an issuing bank and an accounts database including at least one prepaid cash account associated with the user, a network system for coupling to and enabling communications with the electronic communications network, and a transaction system, coupled to the storage device and the

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network system, that detects a request by a user for a charge number via the electronic communications network and that provides a selected one of the plurality of valid charge numbers via the electronic communications network in response to the request, where the transaction system is configured to authorize a purchase transaction submitted for authorization with the selected valid charge number via the charge settlement network if a cash balance in a prepaid cash account associated with the user is sufficient to cover a purchase amount of the purchase transaction.

Claim 26 is amended to incorporate the substance of claim 33 and claim 33 is canceled. Thus, claim 26 is allowable over Demoff in view of Cohen and claims 27-29, 31-32 and 34-41 are allowable as depending upon claim 26. Applicant requests withdrawal of the 102 and 103 rejections of these claims.

Claim 43 is allowable over Demoff in view of Cohen for similar reasons recited above for claims 14 and 33. Demoff in view of Cohen does not show the charge number issuing and processing system of claim 42 in which the storage device stores an accounts database including at least one prepaid cash account, and in which the transaction system is configured to authorize a purchase transaction submitted for authorization via the charge settlement network with a selected one of the plurality of valid charge numbers if a cash balance in a prepaid cash account is sufficient to cover a purchase amount of the purchase transaction as further recited in claim 43. Thus, claim 43 is allowable over Demoff in view of Cohen and Applicant requests withdrawal of this rejection.

The §102(e) rejection of claims 1-5, 7-13, 16-23, 25-29, 31, 32 and 41 is now moot in view of the above amendments and remarks.

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Applicant respectfully traverses the §102(e) rejection of claims 42 and 44-48 as being anticipated by Demoff.

As previously described, a temporary credit transaction number is generated for a particular transaction for the unregistered vendor in Demoff and the vendor simply processes the number through a conventional verification system like any other credit card number for appropriate authorization. Demoff does not show or describe in any manner whatsoever a charge number issuing and processing system for issuing valid charge numbers via a electronic communications network *and for processing the valid charge numbers via a charge settlement network*, including a switch network for coupling to the charge settlement network that routes any of the plurality of valid charge numbers entered into the charge settlement network to the issuing system for processing as recited in claim 42. Thus, claims 42 and 44-48 are allowable over Demoff and Applicant requests withdrawal of this rejection.

PATENTCONCLUSION

Applicant respectfully submits that for the reasons recited above and for various other reasons, the rejections have been overcome and should be withdrawn. Applicant respectfully submits therefore that the present application is in a condition for allowance and reconsideration is respectfully requested. Should this response be considered inadequate or non-responsive for any reason, or should the Examiner have any questions, comments or suggestions that would expedite the prosecution of the present case to allowance, Applicants' undersigned representative earnestly requests a telephone conference at (512) 295-8050.

Respectfully submitted,

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